

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 98-212-C - ORDER NO. 1999-326

MAY 12, 1999

IN RE: Application of Resort Hospitality Services, LTD) ORDER SETTING ✓
DBA RHS Communications, Inc. for a) MATTER FOR
Certificate of Public Convenience and Necessity) HEARING
to Provide Local Telecommunications Services)
within the State of South Carolina.)

This matter comes before the Public Service Commission of South Carolina ("Commission") by way of letters from Hargray Telephone Company, Inc. ("Hargray") and Bluffton Telephone Company ("Bluffton"). By their letters dated April 8, 1999, Hargray and Bluffton informed the Commission they intended to assert their continuing right as rural telephone companies to be exempted from the obligations imposed on incumbent local exchange carriers by Section 251(c) of the Telecommunications Act of 1996. 47 U.S.C. Section 251(c).

By their letters, Hargray and Bluffton informed the Commission that on March 9, 1999, Hargray and Bluffton each received a request from Resort Hospitality Services, Ltd. d/b/a RHS Communications, Inc. ("RHS") to purchase Hargray's services at wholesale rates for resale. Hargray and Bluffton both state that RHS's request would require the Commission to lift the rural exemption from the obligation imposed on incumbent local exchange carriers by Section 251(c)(4) of the Telecommunications Act of 1996. Under Section 251(f)(1)(B) of the Telecommunications Act of 1996, Hargray and Bluffton state

that the Commission has 120 days after receipt of notice of RHS's request to make a determination of whether or not to terminate Hargray's rural exemption.

Hargray and Bluffton also inform the Commission that RHS and the South Carolina Telephone Coalition ("SCTC"), of which both Hargray and Bluffton are members, entered into a Stipulation dated June 22, 1998. The Stipulation between RHS and the SCTC provided that within 30 days after receipt of notice from a competitive local exchange carrier, a rural telephone company may petition the Commission to exercise all rights afforded the rural telephone company under federal and state law. By their letters, Hargray and Bluffton state that they petition the Commission to conduct the required inquiry under Section 251(f)(1)(B) of the Telecommunications Act of 1996.

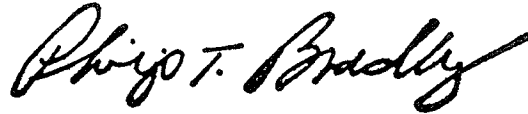
Upon consideration of this matter, the Commission finds an inquiry under Section 251(f)(1)(B) is required and hereby orders this matter set for hearing. Accordingly, the Commission Staff is instructed to set this matter for hearing within the requisite deadlines as provided by the Telecommunications Act of 1996.

MAY 12, 1999

PAGE 3

This Order shall remain in full force and effect until further Order of the
Commission.

BY ORDER OF THE COMMISSION:



Chairman

ATTEST:



Executive Director

(SEAL)